

## **EXHIBIT 44**

# Transform Underwriting to Better Understand and Treat Your Policyholders

## By transforming the underwriting process, insurers can:

- **Reduce customer churn** by understanding your policyholders better and communicating with them more effectively
- **Improve business insight** through data analytics to better segment policies and develop more profitable business and growth
- **Speed up processing** on a new insurance policy from weeks and days to minutes
- **Give business users fine-grained control** to author new policies, modify existing policies, make "bulk" changes and view book-of-business underwriting changes in real time
- **Choose the optimal strategy** by running "What If" analyses that simulate changes to portfolios and calculate their business impact

Insurers face a growing list of disruptive factors that are reshaping the industry. These include the drive toward digital maturity, an imperative to improve the customer experience, the impact of big data and intensifying competition. FICO provides clients with a powerful solution and an agile, iterative approach that will help insurers address these challenges by transforming their underwriting processes quickly — often in less than six months.

As digital channels grow increasingly important, insurance companies are focusing more than ever on understanding customers better and improving the customer experience, from underwriting to claims. By understanding customers much more deeply, insurers can engage and communicate with them in more relevant ways that will significantly improve customer experiences and ultimately result in much lower customer churn and more business.

Despite efforts by insurers to improve the experience of their policyholders, fewer customers globally are having positive experiences. Only 28% of insurance customers worldwide said they had a positive experience, down from 32% a year earlier.<sup>1</sup> According to Capgemini, 7 in 10 insurance customers are at risk of switching to a new carrier.<sup>2</sup>

The need for insurers to better understand and treat their policyholders well will only increase as more insurance business and customer communication takes place in digital channels. One third of insurance business will be generated through digital channels in the next five years and the digital maturity of insurers is strongly correlated to profitability and efficiency.

<sup>1</sup> Capgemini: "2015 World Insurance Report."

<sup>2</sup> Capgemini: "2014 World Insurance Report."

## FICO® Decision Management Suite

Available on-premises or in the cloud, the FICO® Decision Management Suite provides the foundation to make it easier, faster and more cost-effective to deploy and integrate decision management solutions. The FICO Decision Management Suite provides the basis for easy and powerful creation, customization, development and deployment of analytically powered decision applications. It allows customers to quickly integrate management tools and components from FICO and others with their own components to rapidly and easily develop, test, deploy and scale new enterprise decision management solutions.

To learn more, go to our

Decision Management

Suite *web page*.

## Meeting customer expectations

Policyholders have high expectations of digital channels because of their quality digital experiences in other industries, including retail, technology, travel and banking. But only 30% of customers globally have a positive experience with digital channels of their insurance carriers.<sup>1</sup> This gap between customer expectations and performance of digital channels will continue to challenge insurers as usage and adoption accelerate.

New and fast-moving entrants such as Google and digitally mature companies such as Progressive will likely raise customer expectations of the digital channel and increase pressure on insurers by using analytics to better understand their customers, introduce new products faster and more accurately price risk. Insurers that are more digitally and analytically mature will capture the most profitable customers and reject those that are not, increasing the risk of adverse selection for their competitors.

Many underwriters also face myriad other challenges, including rising loss ratios, mergers and acquisitions, expansion into new geographies and

ambitious portfolio growth goals. The organizational silos between underwriters and actuaries, and sometimes within underwriting itself, impede the ability of a company to respond quickly to changing market conditions. Most insurers have also built up immense technology estates that have become difficult, expensive and unsustainable to maintain.

## The impact of big data analytics

But the most disruptive force may be analytics driven by big data. Of all the disruptive forces insurance companies face, including competition, regulatory changes, demographic trends and economic uncertainty, the most significant disruptive will likely be analytics. According to Capgemini, nearly four in five insurance executives expect analytics based on big data to have a major impact on the insurance industry. Regulatory change and oversight was ranked a distant second with only 47% percent of executives expecting it to have a major impact.<sup>1</sup>

The increasing adoption of data-driven analytics will improve nearly every aspect of the underwriting process, enabling insurers to:

- Better identify risk and improve strategies to prevent losses
- Transition from static to dynamic variable-based pricing models
- More finely and accurately segment customers
- View policyholder relationships as a whole to optimize treatments

<sup>1</sup>Capgemini: "2015 World Insurance Report"

- Understand the business impact of policy changes before they are implemented to choose those that are optimal
- Make the best decisions across insurance processes and communicate with customers in real time

Analytics can provide a tremendous amount of business insight and value from an insurer's universe of data, but the impact of all this insight depends on how effectively and how quickly it can be operationalized in an underwriter's decision-making environment. Can an insurer meet the demands of a customer who is on the web or a smartphone, wants to enter their information into a form and receive a car insurance quote back relevant to them so they can make a decision quickly?

## Leveraging big data for better customer decisions

FICO's approach is to connect to and leverage big data to make the best decisions. Our technology enables organizations across the entire insurance lifecycle to better understand the customer — what they want, what they are going to buy, how they want to be engaged, their level of risk and their value — and to operationalize this insight in real-time — a critical last step, and one that is too often over looked. We help our clients take data and turn it into information they can rapidly use to interact with customers, so customers buy what they want and in the way they want.

Available in the cloud or on-premises, the FICO® Decision Management Suite is a powerful and agile solution that will help organizations transform their underwriting processes. It provides an effective and scalable way for insurers

to explore data, discover analytic insight, execute analytics in operational decisions, and track and improve underwriting models. Insurers can also use it to create and deliver engaging web and mobile applications.

The solution gives business users new levels of control over the underwriting process. Business users can change a rule, a model, a rate or eligibility criteria without having to rely on IT. The solution dramatically accelerates time to market by allowing underwriters to optimize the insurance underwriting process and price against different scenarios, then test and deploy it in hours rather than days, weeks or months. This allows underwriters to optimally balance price and the customer experience and to respond to market conditions with speed and precision.

The FICO Decision Management Suite gives organizations a cost-effective, complete platform for transforming the underwriting process:

### **Ingest, synthesize, sense and respond to data of any size in real time**

Insurers can connect to a wide variety of internal and external data to innovate, differentiate and increase the effectiveness of underwriting decisions.

### **Visualize, measure and report**

Explore and analyze big data to improve the quality of business while arming underwriters with dashboards and business intelligence to measure effectiveness.

### **Wrangle, analyze, model and predict**

Provide underwriters and other business users with the power to build robust models and deploy them in a timely fashion.

### **Decide and optimize**

Comprehensive solution to create and execute decision rules and lifecycle management, including plug-and-play strategies, rules, models and optimization to achieve desired results.

### **Customize, communicate and respond**

Create web and mobile applications that help build meaningful customer relationships by expertly managing the customer dialogue via email, voice, social media, mobile and web.

### **Adapt, automate and tune**

Easily monitor and manage models, strategies and rules. Business users can monitor and measure the end user experience, apply machine learning and build customer response feedback loops.



## FICO® Decision Management Suite



The FICO Decision Management Suite seamlessly integrates analytics, decisioning, optimization, data visualization and exploration, rapid application development and other FICO® Decision Management Platform capabilities to provide a complete and agile decisioning solution.

The FICO® Decision Management Suite is a flexible solution that was designed to seamlessly integrate with and augment existing systems involved in the underwriting process while alleviating the burden on IT. It has functionality to interoperate with SAS, PMML, R and other model languages and is built on industry standards to ensure interoperability. The solution is modularized and available in the cloud or on-premises, so insurers need only buy and utilize those components necessary to meet their specific goals. Organizations that prefer to build their own systems can use the FICO Decision Management Suite as a platform to build, deploy and optimize their own underwriting applications.

Contact us today to learn

more about the FICO®

Decision Management Suite

and how insurers are using

FICO solutions to transform

underwriting.



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